normal course on 30-6-1990 and another officer reported for duty at the place where he was transferred. He was subsequently posted to Patiala on compassionate ground. One official resigned from service in June, 1990. Three officials reported for duty at the places where they were transferred. The services of two officials were terminated after disciplinary proceedings. However, out of these two, one has been reinstated, on an appeal, with reduction in rank. One of the said 9 officials, had been pleading that he was undergoing treatment in the All India Institute of Medical Sciences at the time of his transfer and he has now expressed his desire to report for duty at the place where he was transferred.

Policy for expansion of fertilizer industry

1601. SHRI S. S. SURJEWALA : Will the PRIME MINISTER be pleased to state :

(a) whether the country is self-sufficient in the matter of chemical fertilizers and what is Government's policy for the expansion of fertilizer industry in the country;

(b) what formula Government are adopting for calculation of cost price of various brands of fertilizers for both manufactured indigenously and imported;

(c) whether Government into account the prices of fertilizers and other inputs while announcing the support prices of various agricultural produce; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN) : (a) The Government's objective for future is to achieve maximum degree of self-sufficiency in the production of nitrogenous fertilizers. While in the case of nitrogen, it is estimated that 90% of the demand would be met through indigenous production during the Eighth Plan, in Phosphate, domestic raw material constraints do not permit self-sufficiency in production, but the aim is for increased utilisation of indigenous ores. As regards potash, entire requirements are met through imports as there are no known sources of potash in the country.

(b) In respect of indigenous controlled fertilizers, their retention prices are worked out plant-wise and product-wise based on a combination of norms and actuals in respect of various elements of cost, under the Retention Price-cum-Subsidy Scheme. In respect of imported controlled fertilizers, the Government bears the difference between the total cost (cost incurred on importing, handling and distributing the fertilizers) and the pool issue price (the sale price to the farmers minus disrtibution margin).

(c) and (d) The support price for various agricultural commodities are decided by Government, taking into account the recommendations of the Commission on Agricultural Costs & Prices (CACP), views of the State Governments and concerned central Ministries. While recommending the support prices, CACP considers a number of factors such as cost of production, input/output price trends in the market, parity between prices paid and prices received by the farmers. The cost of cultivation/production taken into account includes all paid out costs such as hired human labour, bullock labour/machine labour (both hired and owned) and rent paid for leased-in land, besides expenses on use of inputs like seeds, fertilizers, manures, irrigation charges etc.

Rise in price of essential drugs

1602. SHRI SATISH PRADHAN : Will the PRIME MINISTER be pleased to state :

(a) the names of scheduled drugs and formulations referred to B.I.C.P. for price revision during last one year, the cases cleared with recommendations and the details of cases pending and reasons therefor in each of the case;

(b) the extent of price-rise of essential drugs due to increase in material cost and imported price of such material due to devaluation of rupee; and

(c) the steps taken for duty reduction on raw material of essential drugs to ensure availability of these drugs at reasonable prices ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN) : (a) The Government, during the last one year, referred price revision of the following bulk drugs to BICP :

1. Vitamin C and its sallts
2. Erythromycin and its salts
3. Prednisolone
4. Hydrocortisone

The BICP sent recommendations in respect of first two bulk drugs. In case of the other two drugs the reference was made to BICP in November, 1992 only.

In regard to formulations suo moto price revision is also, some times, referred to BICP by this Department. However, no case is pending with BICP at present. Compilation of the details in respect of all such cases is a voluminious work and time and labour involved will not be commensurate with the results likely to be achieved.

(b) Increase in prices of formulations is on account of changes in a number of parameters like Material Cost—comprising of active ingredients and excipients (imported as well as indigenous), Conversion Costs, Packing Charges, and Packing Material Costs (imported as well as indigenous).

No study has been made in regard to the extent of price-rise of formulation, on account of individual cost inputs.

(c) The necessary steps are taken by the Government from time to time on duty reduction on raw materials of essential drugs to ensure availability of these at reasonable price to the consumer. For example, duty on drug intermediates/raw materials required for the manufacture of 218 bulk drugs was reduced in June, 92.

Non Implementation of provisions of the Drug Policy of 1986

1603. SHRI SUDHIR RANJAN MAJUMDAR : Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that none of the provisions of ratio parameter nor phased manufacturing programme of Drug Policy, 1986 have been implemented;

(b) if so, the reasons therefor;

(c) whether it is a fact that even the definition of ex-factory value has not been spelt out;

(d) if so, what are the basis of arriving to ex-factory value;

(e) what is the percentage of imported raw materials to domestic in respect of production of each drug under phased Manufacturing Programme;

(f) whether it is a fact that import of penultimate and intermediates are not covered under ratio parameter;

(g) whether it is a fact that drug companies are importing late stage intermediates instead of bulk drug to escape from ratio parameters; and

(h) what are the names of drug companies which are importing late stage intermediate and names of drugs and intermediates ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN) :

(a) and (b) No Sir. Every proposal received from any company in the organised sector for manufacture of bulk drugs and formulations is cleared only after verifying their compliance of ratio parameters and basic stage of manufacture fixed by the Government respectively. Where there are constraints regarding technology etc., to avoid import of the finished bulk drugs, basic stages are relaxed for specified drugs for specified periods.

(c) and (d) The ex-factory value is generally the sale value of the drug or formulation excluding excise duties and the Government does not consider such data unless it is certified by a Chartered Accountant.

(e) The import content in respect of each drug depends upon various factors such as international price of imported raw materials, intermediates, exchange rate of the rupee etc. Since these factors as well as the c.i.f. value of the drugs are dynamic in nature, the percentage of import content also various from time to time.

(f) Yes, Sir.